

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 6079-01  
Bill No.: SB 899  
Subject: Appropriations; State Departments  
Type: Original  
Date: March 20, 2012

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Bill Summary: This proposal requires a one time transfer of certain fund balances to the state General Revenue Fund.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
General Revenue	Unknown greater than \$24,298,015	\$0	\$0
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>Unknown greater than \$24,298,015</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
Various State Funds	(Unknown greater than \$24,298,015)	\$0	\$0
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(Unknown greater than \$24,298,015)</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses. This fiscal note contains 8 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☒ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Budget and Planning (BAP)** assume this proposal would have an unknown positive impact on General Revenue and an identical negative impact on the other state funds. BAP will defer to the departments for impact.

Officials at the **Administrative Hearing Commission, Alcohol & Tobacco Control, Capitol Police, Department of Conservation, Department of Elementary and Secondary Education, Department of Revenue, Department of Social Services, Joint Committee on Administrative Rules, Joint Committee on Public Employee Retirement, Missouri Consolidated Health Care Plan, Missouri Ethics Commission, Missouri Gaming Commission, Missouri Lottery, Missouri Senate, Missouri State Employees' Retirement System, MoDOT & Patrol Employees' Retirement System, Office of the Governor, Office of State Courts Administrator, Office of the Secretary of State, Office of the State Auditor, Office of the State Public Defender, Office of State Treasurer and the State Tax Commission** assume there is no fiscal impact from this proposal.

**Oversight** in seeking an impact on this proposal asked agencies to use their fund balance and expenditure data for FY 2011 as an example of the impact of this proposal. Each agency listed below has used as a transfer date July 1, 2011, and determined the impact as if this proposal had been in effect at that time. These estimates would be subject to change for FY 2012 based on the FY 2012 expenditures and fund balances.

**Oversight** assumes that numerous state funds would be impacted by this proposal. For the simplicity of the fiscal note, Oversight will show the impact as Unknown greater than the amount estimated by the state agencies to Various State Funds.

Officials at the **Department of Corrections (DOC)** assume the Required Educational Assessment and Community Treatment (REACT) Program Fund defined in section 559.635 could lose an estimated \$300,000 which is already committed for funding contracts for FY13.

Officials at the **Department of Economic Development** assume this proposal could impact the Tourism Marketing Fund (Fund # 0650). The loss due to the annual transfer is Unknown.

Officials at the **Department of Mental Health** assume only the Mental Health Interagency Payments Fund (0109) would be affected by this proposal. This fund would have an ending balance that should be below the threshold amount and therefore this proposal would have no

ASSUMPTION (continued)

fiscal impact.

Officials at the **Missouri Highway Patrol (HP)** assume this proposal would impact the HP Expense Fund. The estimated amount of the transfer is \$493.

Officials at the **Missouri Department of Transportation** assume this proposal would impact the Grade Crossing Safety Fund which would be estimated to lose \$900,000. The State Aviation Trust Fund would lose \$3-\$4 million.

Officials at the **Department of Natural Resources** assume the department estimates approximately \$1,296,295 in fund balances from the following state funds would be transferred to the General Revenue fund on July 1, 2012:

Historic Preservation Revolving-0430

Biodiesel Revolving Fund - 0730

MO Alternative Fuel Vehicle Loan - 886

Dry-Cleaning Environmental Resp - 0898

Energy Futures - 0935

Officials at the **Department of Health and Senior Services** assume the department has numerous funds created for specified purposes, into which donations, bequests, fees, and other funds are deposited according to the authorizing statute. An analysis of the average fund expenditures in fiscal years 2010-2011, and fiscal year 2011 ending balances indicates the Mammography Fund may be subject to the provisions of the proposed legislation which could result in an unknown, up to \$166,883 being transferred from the Mammography Fund to General Revenue.

Officials at the **Department of Higher Education** assume this proposal would affect the following funds in the amount of \$286,213:

Veterans Survivor Grant-0101

Minority Teach Scholarships-0291

Advantage Missouri Program-0856

Officials at the **Department of Insurance, Financial Institutions and Professional Registration** assume the fiscal note estimate was calculated by subtracting 200% of FY2011 total expenditures for each fund within the department from its FY2011 ending fund balance. Only the funds that came up with a positive dollar amount are shown here. The remaining funds had expenditures in FY2011 that were more than 50% of its FY2011 ending fund balance. These

ASSUMPTION (continued)

figures are estimates and are subject to change once the full year FY2012 expenditures are known. The funds are as follows:

Acupuncturist Fund-0882	(\$27,048)
APELSLA Fund-0678	(\$1,808,163)
Athlete Agents Fund-0774	(\$5,233)
Athletic Fund-0693	(\$193,700)
Chiropractic Examiner Fund-0630	(\$346,652)
Cosbar Fund-0785	(\$1,463,508)
Dental Fund-0677	(\$1,082,040)
Dietitians Fund-0857	(\$144,666)
Embalmer/FD Fund-0633	(\$186,711)
Endowed Care Fund-0562	(\$253,915)
Geology Fund-0263	(\$32,720)
Marital Family Therapy Fund-0820	(\$34,392)
Massage Therapy Fund-0884	(\$275,934)
Nursing Fund-0635	(\$5,280,372)
Occupational Therapy Fund-0845	(\$266,697)
Optometry Fund-0636	(\$146,943)
Pharmacy Fund-0637	(\$1,588,467)
Podiatry Fund-0629	(\$37,983)
Professional Counselors Fund-0672	(\$376,570)
Psychology Fund-0580	(\$18,581)
Real Estate Commission Fund-0638	(\$2,526,571)
Respiratory Care Fund-0833	(\$179,496)
Social Worker Fund-0574	<u>(\$170,561)</u>
TOTAL TRANSFER	\$17,348,131

Officials at the Office of Attorney General, Office of Administration, Department of Labor and Industrial Relations, Office of Prosecution Services and the Department of Public Safety did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2013	FY 2014	FY 2015
<b>GENERAL REVENUE</b>			
<u>Transfer In-</u> from various state funds	<u>Unknown</u> <u>greater than</u> <u>\$24,298,015</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>Unknown</u> <u>greater than</u> <u>\$24,298,015</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>VARIOUS STATE FUNDS</b>			
<u>Transfer Out-</u> one time transfer to General Revenue	<u>(Unknown</u> <u>greater than</u> <u>\$24,298,015)</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON VARIOUS STATE FUNDS</b>	<b><u>(Unknown</u> <u>greater than</u> <u>\$24,298,015)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2013	FY 2014	FY 2015
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This act relates to the transfer to certain fund balances to General Revenue.

On July 1, 2012, after all statutorily and constitutionally required transfer of funds have been made, this act requires the state treasurer to transfer the balance of any fund in excess of 200% of the previous fiscal year's expenditures into the state general revenue fund. This act applies to all state funds created by statute or administratively created by the office of administration.

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### FISCAL DESCRIPTION (continued)

This act does not apply to certain constitutionally created funds, special trust funds created by statute, funds for the payment of bonded indebtedness, insurance and indemnity funds, and funds created to receive federal funds. Further, this act does not apply to any fund that is subject to current fund sweeps. For any fund in which statutory limitations allow the fund to accumulate balances equal to or greater than 200% of the previous year's expenditures, the act shall apply to the extent necessary to transfer any balance in excess of 200%.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

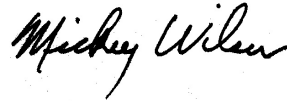
### SOURCES OF INFORMATION

Administrative Hearing Commission  
Alcohol & Tobacco Control  
Capitol Police  
Department of Conservation  
Department of Corrections  
Department of Economic Development  
Department of Elementary and Secondary Education  
Department of Health and Senior Services  
Department of Higher Education  
Department of Insurance, Financial Institutions and Professional Registration  
Department of Mental Health  
Department of Natural Resources  
Department of Revenue  
Department of Social Services  
Joint Committee on Administrative Rules  
Joint Committee on Public Employee Retirement  
Missouri Consolidated Health Care Plan  
Missouri Department of Transportation  
Missouri Ethics Commission  
Missouri Gaming Commission  
Missouri Highway Patrol  
Missouri Lottery  
Missouri Senate  
Missouri State Employees' Retirement System  
MoDOT & Patrol Employees' Retirement System  
Office of the Governor

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SOURCES OF INFORMATION (continued)

Office of the Secretary of State  
Office of State Courts Administrator  
Office of the State Auditor  
Office of the State Public Defender  
Office of State Treasurer  
State Tax Commission

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
March 20, 2012